

Montgomery County

**2004
Revaluation**



Montgomery County
Tax Administrator's
Office

(910) 576-4311

Information Concerning Montgomery County's 2004 Revaluation of Real Property

The purpose of this brochure is to help the taxpayers of Montgomery County understand what a revaluation is, how it is completed and how the reappraisal will affect the average property owner.

STATUTORY REQUIREMENTS

The property tax in North Carolina is regulated by a series of statutes called the Machinery Act. Local Boards of Commissioners have very little discretion concerning compliance with these regulations. The Machinery Act guarantees all 100 North Carolina counties will administer the property tax under the same basic guidelines.

The Machinery Act requires each county to conduct a reappraisal of real property (land, buildings, and other improvements to the land) at least every eight years. More frequent reappraisals may be conducted at the discretion of the Board of Commissioners. The Act also requires the counties to appraise real property uniformly at its true value in money. True value in money is "the price" estimated in terms of money at which the property would change hands between a willing and financially able buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of all the uses to which the property is adapted and for which is capable of being used (NCGS 105-283).

Simply put, this means when two people trade land for money, both knowing what can and cannot be done with the land, and agreement on the price is reached and the market value is established. Market value is generally determined from sales between unrelated and unbiased buyers and sellers. This is commonly known as an "arms length" transaction.

You may feel this should have no affect on you because you have owned your property for many years and it is not for sale. However, you will be affected because the Machinery Act requires counties to appraise real property uniformly. If comparable properties in your neighborhood are being sold in the \$100,000 range and there are no significant differences in your property and comparable properties, it is reasonable to believe your property may be worth \$100,000. It would not be fair to assess your neighbor who recently purchased his/her property for \$100,000 and assess your property for \$ 40,000 because you paid \$40,000 for the property twenty years ago.

Why Is Uniformity/Equalization So Important?

The most important point to remember is that the primary goal of revaluation is uniformity. The purpose of a revaluation is not to increase revenues or to provide tax breaks, but to fairly, equitably and uniformly appraise the real property at its true value.

Since property taxes are based on value, it is important to have all property valued periodically on a uniform basis using a modern system of valuation. Since market value appraisals become the foundation for assessments, equalized values create equalized and uniform taxes. Equalization also creates a better tax climate in the community since each taxpayer is paying only his or her fair share.

How Is My Property Value Determined?

The 2004 Revaluation was conducted by employees of the Montgomery County Tax Office with the help of a consultant. Our appraisers verify and update the County's property data files by making an onsite visit to your property. Please understand that the appraiser does not "set" value, he simply researches the values that have been established by buyers and sellers in the local real estate market. The appraisers then apply their knowledge of the local market and appraisal experience using proven methods and procedures. After considering the factors affecting value, your property should appraise close to the value of comparable properties on the market.

What Are Present Use Value Assessments?

Owners of parcels presently used for agricultural, horticultural, and forest land may qualify for special present-use-value assessments. To obtain present-use-value assessments, owners of eligible property must submit a completed application to the Montgomery County Tax Department. Applications may be picked up at the Montgomery County Tax Department. No application is required if the property has already been approved for use value deferment.

What Is The Homestead Exemption?

The owner's principle residence is given a reduced valuation, if the owner is 65 or older, or permanently disabled, the disposable income for husband and wife does not exceed \$18,800 and their application is received by April 15, 2004. Applications may be picked up at the Montgomery County Tax Department.

When Are The New Assessments Going Into Effect?

The new values will become effective on January 1, 2004, and will be reflected in the tax bill you will receive in the summer of 2004.

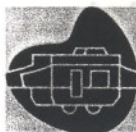
What Is The Appeal Process If I Do Not Agree With The Value?

If after receiving notice of your new value, you believe that the value, as shown, on the revaluation notice is in excess of market value and you have information to support your position, you have a number of steps available in the administrative appeal process. First you must request an informal review following the procedures given you on your notice. If you do not agree with the value determined after the review, you may request a formal hearing conducted by the County Board of Equalization and Review. If necessary the N.C. Property Tax Commission will hear appeals. If you still do not agree after exhausting these three levels of appeal, your case could be heard by the N.C. Court of Appeals.

Real Property



vs Personal Property



Personal properties include automobiles (without current tag), boats, campers, airplanes, trailers, jet skis, sea doos and mobile homes (see below). These are to be listed every year during listing period (January 2 thru January 31). This may be done by mail or in person at the Montgomery County Administration Building on the second floor.

Manufactured Homes Real Property or Personal Property?

Due to a change in North Carolina law only mobile homes that are owned by the owners of the land can be picked up as real estate. These mobile homes must have the tongues and axles removed and be used for residential purposes. Many people will now have to list their mobile homes annually in January.

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COMMON
QUESTIONS
AND
ANSWERS

- **Will the revaluation effect the value of my property?**

Probably. The likelihood that your property has not changed in value over the last eight years is small. In some cases property values decline in a revaluation, however, the vast majority of property values will increase.

- **What effect will the reappraisals have on the taxes I have to pay?**

It's hard to say. This depends on how much your property value has increased and on how much the tax rate changes.

- **What if I do not agree with my property value?**

After you receive your notice of change in value, if you do not agree with the value please complete and return the "Informal Review Form".

- **And what if I'm still not satisfied?**

After the informal review the Board of Equalization and Review is the official assessment appeals board. The Board convenes in early April and will hear any and all appeals concerning the assessed value of real property in Montgomery County. Appeals from decisions of the Montgomery County Board of Equalization and Review may be made to the North Carolina Property Tax Commission.

- **Will I be able to compare my property with other properties?**

Yes. All tax assessments records are open to public inspection.

This brochure was prepared by the Montgomery County Tax Department for information purposes only